

AMENDMENTS TO LB 66

1 1. Strike the original sections and insert the following
2 new sections:

3 "Section 1. The following real property shall qualify as
4 historically significant real property for purposes of the historic
5 rehabilitation valuation authorized by section 7 of this act
6 pursuant to the authority granted to the Legislature under
7 subdivision (12) of Article VIII, section 2, of the Constitution of
8 Nebraska:

9 (1) Real property individually listed on the National
10 Register of Historic Places;

11 (2) Real property within a district listed in the
12 National Register of Historic Places that is historically
13 significant as determined by the State Historic Preservation
14 Officer and approved under section 3 of this act;

15 (3) Real property individually designated pursuant to a
16 landmark ordinance or resolution that has been approved by the
17 State Historic Preservation Officer pursuant to section 2 of this
18 act; and

19 (4) Real property within a district designated pursuant
20 to a landmark ordinance or resolution that has been approved by the
21 State Historic Preservation Officer pursuant to section 2 of this
22 act that is historically significant as determined by the State
23 Historic Preservation Officer and approved under section 3 of this
24 act.

1 Sec. 2. (1) A city, village, or county shall request the
2 State Historic Preservation Officer's approval of any landmark
3 ordinance or resolution which designates individual properties or
4 districts before any such individual properties or historically
5 significant properties within such districts receive historic
6 rehabilitation valuation authorized by section 7 of this act. The
7 following documentation shall accompany the request:

8 (a) A copy of the ordinance or resolution for which
9 approval is requested;

10 (b) A list, including the common addresses and common
11 written boundary descriptions of all individual properties and
12 historic districts designated or proposed to be designated under
13 the ordinance or resolution;

14 (c) A description and statement of historical
15 significance for all designated individual properties and historic
16 districts, which includes representative photographic views; and

17 (d) A map indicating the location of individual landmarks
18 and historic districts.

19 (2) Within forty-five days after receipt of the request
20 and documentation, the State Historic Preservation Officer shall
21 approve the ordinance or resolution if the documentation indicates
22 compliance with the criteria for designation of landmarks and
23 historic districts established by the United States Department of
24 the Interior for the inclusion of properties in the National
25 Register of Historic Places, 36 C.F.R. 60, as such regulation
26 existed on January 1, 2005, and if the ordinance or resolution
27 contains provisions for the following:

- 1 (a) Authorization for historic preservation under section
2 19-903;
- 3 (b) A statement of purpose;
- 4 (c) Establishment of a historic review commission which:
5 (i) Has no fewer than five members;
6 (ii) Has demonstrated expertise in the disciplines of
7 history, architectural history, historic architecture,
8 architecture, community planning, real estate, neighborhood
9 conservation, historic preservation, or related fields;
- 10 (iii) Has staggered terms of office for members; and
11 (iv) Holds meetings at regular intervals at least four
12 times a year;
- 13 (d) A process and criteria for designation of landmarks
14 and historic districts that are consistent with those established
15 by the United States Department of the Interior for the inclusion
16 of properties in the National Register of Historic Places, 36
17 C.F.R. 60, as such regulation existed on January 1, 2005;
- 18 (e) A definition of actions that merit review by the
19 historic review commission, which shall include demolitions and
20 major alterations;
- 21 (f) Standards and criteria for review of actions within
22 the jurisdiction of the historic review commission; and
- 23 (g) Procedural due process, such as notification, a
24 hearing, and an appeal procedure.
- 25 Sec. 3. (1) A property owner or the legally designated
26 representative of the property owner may submit an application to
27 the State Historic Preservation Officer for a determination of

1 whether the property owner's real property is qualified to receive
2 historic rehabilitation valuation authorized by section 7 of this
3 act on a form prescribed by the State Historic Preservation
4 Officer. The application shall contain at least the following
5 information:

6 (a) The address and location of the property;

7 (b) A map showing the location of the property;

8 (c) Clear, current black and white or color photographs
9 showing principal views of the property;

10 (d) Designation authority, whether under the National
11 Register of Historic Places or a landmark ordinance or resolution;
12 and

13 (e) If it is historically significant and located within
14 a district listed in the National Register of Historic Places or
15 designated under an ordinance or resolution that has been approved
16 by the State Historic Preservation Officer under section 2 of this
17 act, the name of the district and a statement describing the
18 contribution of the property to the significance of the district.

19 (2) Within thirty days after the receipt of an
20 application, the State Historic Preservation Officer shall
21 determine whether an individual property is eligible to be listed
22 in the National Register of Historic Places and is therefor
23 eligible for historic rehabilitation valuation. The State Historic
24 Preservation Officer may extend the deadline up to an additional
25 forty-five days if he or she determines that a site inspection is
26 necessary.

27 (3) Within thirty days after the receipt of an

1 application, the State Historic Preservation Officer shall
2 determine whether a property located within a district on the
3 National Register of Historic Places or designated under an
4 ordinance or resolution that has been approved by the State
5 Historic Preservation Officer under section 2 of this act is of
6 historic significance to the district pursuant to the criteria in
7 36 C.F.R. 67.5, as such regulation existed on January 1, 2005, and
8 inform the applicant of the decision in writing. The State
9 Historic Preservation Officer may extend the deadline up to an
10 additional forty-five days if he or she determines that a site
11 inspection is necessary.

12 (4) Property shall not be eligible for historic
13 rehabilitation valuation if the property has received a final
14 certificate of rehabilitation within the twelve years prior to
15 application.

16 Sec. 4. (1) The owner of historically significant real
17 property described in section 1 of this act may apply for a
18 preliminary certificate of rehabilitation on a form prescribed by
19 the State Historic Preservation Officer. The application shall be
20 filed with the State Historic Preservation Officer prior to
21 beginning rehabilitation. The application shall contain at least
22 the following information:

23 (a) The address or location of the historically
24 significant real property;

25 (b) Documentation of the cost of the rehabilitation,
26 including estimated cost of architectural fees if applicable;

27 (c) A certification from the county assessor stating the

1 assessed valuation of the historically significant real property
2 that was last certified by the county assessor pursuant to section
3 13-509;

4 (d) A description of the historic condition of the
5 historically significant real property, when possible, and
6 condition of the historically significant real property immediately
7 prior to the rehabilitation; and

8 (e) A detailed description of the proposed rehabilitation
9 work, including plans and specifications if applicable.

10 (2) Within thirty days after receipt of an application
11 for a preliminary certificate of rehabilitation, the State Historic
12 Preservation Officer shall issue a preliminary certificate of
13 rehabilitation to the applicant and transmit a copy to the county
14 assessor if he or she determines that:

15 (a) The proposed work meets the Standards for
16 Rehabilitation as described in 36 C.F.R. 67.7, as such regulation
17 existed on January 1, 2005; and

18 (b) The work is a substantial rehabilitation.

19 (3) The State Historic Preservation Officer may extend
20 the deadline up to an additional forty-five days if he or she
21 determines that a site inspection is necessary. The State Historic
22 Preservation Officer shall determine the length of the
23 rehabilitation period, which shall not exceed two years unless the
24 State Historic Preservation Officer finds (a) it is economically
25 infeasible to complete the rehabilitation in two years or (b) the
26 magnitude of the project is such that a good faith attempt to
27 complete the rehabilitation in two years would not succeed. The

1 certificate shall identify the rehabilitation period.

2 (4) The State Historic Preservation Officer shall issue a
3 preliminary certificate of rehabilitation to the owner if (a) the
4 property was determined to be qualified for historic preservation
5 valuation pursuant to subsection (2) of section 3 of this act, (b)
6 the proposed rehabilitation meets the Standards for Rehabilitation
7 as described in 36 C.F.R. 67.7, as such regulation existed on
8 January 1, 2005, and (c) the proposed rehabilitation is a
9 substantial rehabilitation. The State Historic Preservation
10 Officer shall transmit a copy of the preliminary certificate of
11 rehabilitation to the county assessor within seven days after
12 issuance of the certificate to the owner.

13 (5) For purposes of this section, substantial
14 rehabilitation means interior or exterior rehabilitation work that
15 preserves the historically significant real property in a manner
16 that significantly improves its condition and that costs an amount
17 equal to or greater than twenty-five percent of the assessed
18 valuation certified by the county assessor and contained in the
19 application.

20 Sec. 5. (1) A city, village, or county may receive and
21 recommend approval of applications for preliminary certificates of
22 rehabilitation within its corporate boundaries pursuant to
23 subsection (4) of this section.

24 (2) Prior to exercising authority under subsection (1) of
25 this section, a city, village, or county shall request the approval
26 of the State Historic Preservation Officer. The request shall be
27 accompanied by assurances that the city, village, or county:

1 (a) Enforces laws for the designation of historically
2 significant real property;

3 (b) Has a landmark ordinance or resolution that has been
4 approved under section 2 of this act;

5 (c) Maintains a historic review commission which has been
6 approved by the State Historic Preservation Officer;

7 (d) Maintains a system for the survey and inventory of
8 historically significant real property; and

9 (e) Maintains a system for reviewing applications for
10 certifications of rehabilitations substantially the same as that
11 provided in section 4 of this act.

12 (3) Within forty-five days after the receipt of the
13 request and the assurances, the State Historic Preservation Officer
14 shall approve the city, village, or county to exercise authority
15 under subsection (1) of this section.

16 (4) (a) The owner of historically significant real
17 property described in section 1 of this act may apply for a
18 preliminary certificate of rehabilitation on a form prescribed by
19 the State Historic Preservation Officer. The application shall be
20 filed with the city, village, or county prior to beginning
21 rehabilitation, and the city, village, or county shall forward the
22 application to the State Historic Preservation Officer with the
23 following information:

24 (i) Certification that the real property is designated
25 pursuant to a landmark ordinance or resolution or is in a district
26 so designated; and

27 (ii) Any comments or recommendations on the application.

1 (b) The State Historic Preservation Officer shall process
2 the application in accordance with subsection (4) of section 4 of
3 this act.

4 Sec. 6. Upon completion of the rehabilitation the owner
5 shall provide the following information to the State Historic
6 Preservation Officer to obtain a final certificate of
7 rehabilitation:

8 (1) Documentation of the dates on which construction
9 commenced and was completed;

10 (2) Clear, current black and white or color photographs
11 showing the completed rehabilitation work, the appearance of the
12 structure immediately prior to the rehabilitation, and if possible
13 the historic appearance of the historically significant real
14 property;

15 (3) A written description of the original condition of
16 the historically significant real property;

17 (4) A written description of the present condition of the
18 historically significant real property; and

19 (5) A written description and, if applicable, final plans
20 and specifications of the rehabilitation.

21 The State Historic Preservation Officer shall issue a
22 final certificate of rehabilitation to the owner if the
23 rehabilitation meets the Standards for Rehabilitation as described
24 in 36 C.F.R. 67.7, as such regulation existed on January 1, 2005,
25 and transmit a copy to the county assessor within seven days after
26 issuance of the certificate to the owner.

27 Sec. 7. (1) Commencing January 1, 2006, for all real

1 property for which a final certificate of rehabilitation has been
2 issued, the valuation for purposes of assessment shall be no more
3 than the base-year valuation for eight years following issuance of
4 the final certificate of rehabilitation.

5 (2) For the four years following the expiration of the
6 eight-year period specified in subsection (1) of this section, the
7 valuation for purposes of the assessment shall be as follows:

8 (a) For the first year, the base-year valuation plus
9 twenty-five percent of the difference in the base-year valuation
10 and the current year actual value;

11 (b) For the second year, the base-year valuation plus
12 fifty percent of the difference in the base-year valuation and the
13 current year actual value;

14 (c) For the third year, the base-year valuation plus
15 seventy-five percent of the difference in the base-year valuation
16 and the current year actual value; and

17 (d) For the fourth year, the current year actual value.

18 (3) For purposes of sections 1 to 10 of this act,
19 base-year valuation means the assessed valuation of the
20 historically significant real property in the assessment year the
21 preliminary certificate of rehabilitation was issued as certified
22 in subdivision (1)(c) of section 4 of this act.

23 (4) If, during the eight-year period and the four-year
24 period specified in subsections (1) and (2) of this section, the
25 State Historic Preservation Officer determines that historically
26 significant real property for which a final certificate of
27 rehabilitation has been issued (a) has been the subject of repair,

1 renovation, remodeling, or improvement but not in accordance with
2 the Standards for Rehabilitation as described in 36 C.F.R. 67.7, as
3 such regulation existed on January 1, 2005, or (b) is no longer of
4 historical significance to a qualified historic district, or (c) no
5 longer possesses the qualifications for listing in the National
6 Register of Historic Places, he or she shall revoke the final
7 certificate of rehabilitation by written notice to the owner and
8 transmit a copy of the revocation to the county assessor.

9 (5) Upon disqualification of any real property receiving
10 base-year valuation under this act, the county assessor shall
11 change the value of such property to its actual value in the
12 assessment year following the revocation of the final certificate
13 of rehabilitation.

14 Sec. 8. The Property Tax Administrator may adopt and
15 promulgate rules and regulations regarding the base-year valuation
16 of historically significant real property.

17 Sec. 9. The State Historic Preservation Officer may
18 adopt and promulgate rules and regulations to carry out sections 1
19 to 10 of this act, including, but not limited to, provisions that:

20 (1) Preclude the issuance of a conditional, preliminary,
21 or final certificate of rehabilitation for any owner-occupied
22 single family residence if thirty percent or more of the dwelling
23 space is new construction outside the existing structure;

24 (2) Specify what costs are eligible to meet the
25 twenty-five percent minimum specified costs and make ineligible
26 those costs attributable to new construction outside the existing
27 structure; and

1 (3) Allow the issuance of a certificate of rehabilitation
2 for a condominium.

3 Sec. 10. (1) Any decision of the State Historic
4 Preservation Officer under sections 1 to 10 of this act may be
5 protested to the State Historic Preservation Officer within thirty
6 days after the mailing of the written notice. If a protest is not
7 filed, the action of the State Historic Preservation Officer shall
8 be final. If a protest is filed, the State Historic Preservation
9 Officer shall hear the protest within fourteen days after receipt
10 of the protest.

11 (2) The State Historic Preservation Officer, within seven
12 days after his or her final decision, shall mail written notice of
13 his or her final decision to the owner and the county assessor of
14 the county in which the real property is located.

15 (3) Any owner aggrieved by a final decision of the State
16 Historic Preservation Officer may appeal the final decision to the
17 district court within thirty days after mailing of the final
18 decision by the State Historic Preservation Officer. The
19 thirty-day period for filing such an appeal commences to run from
20 the date of the mailing of the final decision. Upon receiving a
21 copy of the final order on an appeal filed with the district court,
22 the State Historic Preservation Officer shall mail a copy of the
23 final order to the county assessor of the county in which the real
24 property is located.

25 Sec. 11. Section 77-201, Revised Statutes Supplement,
26 2004, is amended to read:

27 77-201. (1) Except as provided in subsections (2) ~~and~~

AM0296
LB 66
DSH-02-07

AM0296
LB 66
DSH-02-07

1 ~~(3)~~ through (4) of this section, all real property in this state,
2 not expressly exempt therefrom, shall be subject to taxation and
3 shall be valued at its actual value.

4 (2) Agricultural land and horticultural land as defined
5 in section 77-1359 shall constitute a separate and distinct class
6 of property for purposes of property taxation, shall be subject to
7 taxation, unless expressly exempt from taxation, and shall be
8 valued at eighty percent of its actual value.

9 (3) Agricultural land and horticultural land actively
10 devoted to agricultural or horticultural purposes which has value
11 for purposes other than agricultural or horticultural uses and
12 which meets the qualifications for special valuation under section
13 77-1344 shall constitute a separate and distinct class of property
14 for purposes of property taxation, shall be subject to taxation,
15 and shall be valued for taxation at eighty percent of its special
16 value as defined in section 77-1343 and at eighty percent of its
17 recapture value as defined in section 77-1343 when the land is
18 disqualified for special valuation under section 77-1347.

19 (4) Commencing January 1, 2006, historically significant
20 real property which meet the qualifications for historic
21 rehabilitation valuation under sections 1 to 10 of this act shall
22 be valued for taxation as provided in such sections.

23 (5) Tangible personal property, not including motor
24 vehicles registered for operation on the highways of this state,
25 shall constitute a separate and distinct class of property for
26 purposes of property taxation, shall be subject to taxation, unless
27 expressly exempt from taxation, and shall be valued at its net book

AM0296
LB 66
DSH-02-07

AM0296
LB 66
DSH-02-07

1 value. Tangible personal property transferred as a gift or devise
2 or as part of a transaction which is not a purchase shall be
3 subject to taxation based upon the date the property was acquired
4 by the previous owner and at the previous owner's Nebraska adjusted
5 basis. Tangible personal property acquired as replacement property
6 for converted property shall be subject to taxation based upon the
7 date the converted property was acquired and at the Nebraska
8 adjusted basis of the converted property unless insurance proceeds
9 are payable by reason of the conversion. For purposes of this
10 subsection, (a) converted property means tangible personal property
11 which is compulsorily or involuntarily converted as a result of its
12 destruction in whole or in part, theft, seizure, requisition, or
13 condemnation, or the threat or imminence thereof, and no gain or
14 loss is recognized for federal or state income tax purposes by the
15 holder of the property as a result of the conversion and (b)
16 replacement property means tangible personal property acquired
17 within two years after the close of the calendar year in which
18 tangible personal property was converted and which is, except for
19 date of construction or manufacture, substantially the same as the
20 converted property.

21 Sec. 12. Original section 77-201, Revised Statutes
22 Supplement, 2004, is repealed."